

## EARLY WEANING PIG PURCHASE AGREEMENT

**THIS FEEDER PIG PURCHASE AGREEMENT** ("Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 1997, between Swiss Valley Ag Service, 19157 Amber Rd. X44, Monticello, Iowa 52310 ("Seller") and \_\_\_\_\_ ("Buyer").

(Name, and Address)

**WHEREAS**, Buyer wishes to purchase Early Weaned Feeder Pigs on a consistent basis from Seller, and

**WHEREAS**, Seller owns Early Weaned Feeder Pigs and desires to obtain a constant market for such pigs.

**NOW, THEREFORE**, in consideration of mutual agreements and for other good and valuable consideration, the parties hereto agree as follows:

1. **Sale of Early Weaned Pigs**. Buyer shall buy from seller and seller shall sell to buyer a lot of Early Weaned pigs every \_\_\_\_\_ commencing \_\_\_\_\_ and continuing for a period of 60 months. A lot of Early Weaned pigs shall consist of the pigs produced from 34 crate farrowings with an anticipated output of 260 - 320 head per lot. Effective April 1, 1998, seller shall credit buyer \$5.00 per pig for each pig under 230 per lot unless the reason for the number being delivered under 230 is the result of force majeure or quarantine.

2. **Early Weaned Pig Standards**. The Early Weaned pigs to be provided to buyer by seller under this agreement shall be produced from a high quality genetic line. They shall be no less than 12 days of age and no more than 22 days old at delivery and produced from a single source.

3. **Rejection of Individual Feeder Pigs**. Buyer is hereby granted the right to reject individual feeder pigs at the time of delivery due to the presence of one or more of the following factors:

- a) Pigs that are injured.
- b) Ruptured pigs.
- c) Pigs with prolapses
- d) Splay-legged pigs.
- e) Non-castrated or non-healed pigs.
- f) Pigs which are crippled or sick.
- g) Pigs whose tails have not been docked.
- h) Pigs under 5 pounds, or
- i) Pigs which do not meet the criteria set forth in Section 2 above.

Seller shall have the right to inspect any and all rejected pigs in investigation of producers belief, and thereafter Seller and Buyer shall agree in good faith upon an appropriate adjustment, if any, with respect to rejected pigs. Upon agreement of any rejected pigs between Seller and Buyer, rejected pigs will be euthanized and disposed of through appropriate practice. Disposal and any cost associated with disposal, shall be the responsibility of Buyer.

4. **Base Price**. Price for Early Weaned pigs shall be thirty three dollars (\$33.00) per head subject to the following weight adjustment.

**Weight Adjustment**. If more than 10% of the lot of Early Weaned pigs is below seven (7) pounds, all pigs under seven (7) pounds will be priced at 1/2 of the base price.

**Freight Adjustment**. Freight adjustment from Sellers production facility: 0-25 miles, \$.35; 26-50 miles, \$.45; 51-75 miles, \$.60; 75+ miles, Buyer is responsible for delivery in excess of 75 miles.

Payment will be made within three (3) business days of delivery.